

PROPERTY

CHAPTER 312

HOUSE BILL NO. 1192

(Representatives Louser, Beadle, Boehning, B. Koppelman)

AN ACT to amend and reenact section 47-16-07.1 of the North Dakota Century Code, relating to security deposits that may be required for lessees with pets.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 47-16-07.1 of the North Dakota Century Code is amended and reenacted as follows:

47-16-07.1. Real property and dwelling security deposits - Limitations and requirements.

1. The lessor of real property or a dwelling who requires money as a security deposit, however denominated, shall deposit the money in a federally insured interest-bearing savings or checking account for the benefit of the tenant. The security deposit and any interest accruing on the deposit must be paid to the lessee upon termination of a lease, subject to the conditions of subsection 2. A lessor may not demand or receive security, however denominated, in an amount or value in excess of one month's rent, ~~except if the lessee is housing a pet on the leased premises, the~~.
2. A lessor may charge a lessee a pet security deposit for keeping an animal that is not a service animal or companion animal required by a tenant with a disability as a reasonable accommodation under fair housing laws. A pet security deposit may not exceed the greater of two thousand five hundred dollars or an amount equivalent to two months' rent.
- ~~2.3.~~ A lessor may apply security deposit money and accrued interest upon termination of a lease towards:
 - a. Any damages the lessor has suffered by reason of deteriorations or injuries to the real property or dwelling by the lessee's pet or through the negligence of the lessee or the lessee's guest.
 - b. Any unpaid rent.
 - c. The costs of cleaning or other repairs which were the responsibility of the lessee, and which are necessary to return the dwelling unit to its original state when the lessee took possession, reasonable wear and tear excepted.

Application of any portion of a security deposit not paid to the lessee upon termination of the lease must be itemized by the lessor. Such itemization together with the amount due must be delivered or mailed to the lessee at the

last address furnished lessor, along with a written notice within thirty days after termination of the lease and delivery of possession by the lessee. The notice must contain a statement of any amount still due the lessor or the refund due the lessee. A lessor is not required to pay interest on security deposits if the period of occupancy was less than nine months in duration. Any amounts not claimed from the lessor by the lessee within one year of the termination of the lease agreement are subject to the reporting requirements of section 47-30.1-08.

- 3-4. A lessor is liable for treble damages for any security deposit money withheld without reasonable justification.
- 4-5. Upon a transfer in ownership of the leased real property or dwelling, the security deposit and accrued interest shall be transferred to the grantee of the lessor's interest. The grantor shall not be relieved of liability under this section until transfer of the security deposit to the grantee. The holder of the lessor's interest in the real property or dwelling at the termination of a lease shall be bound by this section even though such holder was not the original lessor who received the security deposit.
- 5-6. This section applies to the state and to political subdivisions of the state that lease real property or dwellings and require money as a security deposit.

Approved March 16, 2015
Filed March 16, 2015

CHAPTER 313**HOUSE BILL NO. 1191**

(Representatives Louser, Beadle, Boehning, B. Koppelman)

AN ACT to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to service or assistance animals in rental dwelling units.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 47-16 of the North Dakota Century Code is created and enacted as follows:

Disability documentation for service or assistance animal in rental dwelling.

A landlord may require reliable supporting documentation be provided by a tenant of a rental dwelling that is subject to a no pets policy, if the tenant asserts a disability requiring a service animal or assistance animal be allowed as an accommodation on the rented premises under any provision of law. Reliable supporting documentation may be provided by a physician or medical professional. Reliable supporting documentation must confirm the tenant's disability and the relationship between the tenant's disability and the need for the requested accommodation. A landlord may not require supporting documentation from a tenant if the tenant's disability or disability-related need for a service animal or assistance animal is readily apparent or already known to the landlord.

Approved April 8, 2015

Filed April 8, 2015

CHAPTER 314

SENATE BILL NO. 2180

(Senator Holmberg)

AN ACT to amend and reenact section 47-19-41 of the North Dakota Century Code, relating to unrecorded conveyances.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 47-19-41 of the North Dakota Century Code is amended and reenacted as follows:

47-19-41. Effect of not recording - Priority of first record - Constructive notice - Limitation and validation.

An unrecorded conveyance of real estate is void as against any subsequent purchaser in good faith, and for a valuable consideration, of the same real estate or any part of the same real estate, regardless of whether recorded in the form of a warranty deed or deed of quitclaim and release or the form in common use first is recorded or as against an attachment on the property or judgment, against the owner of record, before the recording of the conveyance. The fact that the first recorded conveyance is a quitclaim deed does not affect the question of good faith of the subsequent purchaser, or be of itself notice of any unrecorded conveyance of the same real estate or any part of the same real estate. This section is notice to all who claim under unrecorded instruments that prior recording of later instruments may nullify their title to or lien on affected real property. An action affecting any title to or lien on real property may not be commenced or defense or counterclaim asserted on the ground that a recorded instrument was not entitled to be recorded. The record of all instruments whether or not entitled to be recorded is deemed valid and sufficient as the legal record of the instruments. ~~The holder of an unrecorded conveyance may not question the good faith of the first recording party unless it can be established that the first recording party had actual knowledge of the existence of the unrecorded conveyance.~~

Approved March 13, 2015

Filed March 13, 2015

CHAPTER 315

HOUSE BILL NO. 1418

(Representatives Streytle, Maragos)

AN ACT to amend and reenact section 47-30.1-02.1 of the North Dakota Century Code, relating to an abandoned property presumption for uncashed checks issued by the state.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 47-30.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

47-30.1-02.1. Uncashed checks.

1. Except as provided in sections 47-30.1-04 and 47-30.1-05, any checks held, issued, or owing in the ordinary course of the holder's business which remain uncashed by the owner for more than two years after becoming payable are presumed abandoned.
2. Any warrant issued by the state which the payee or legal holder fails to present for payment within two years of issue is considered void and canceled. If the payee or legal holder presents the void or canceled check for payment, the original issuing agency may issue a new warrant and the state treasurer is authorized to pay the new warrant.

Approved March 26, 2015
Filed March 26, 2015

CHAPTER 316

HOUSE BILL NO. 1220

(Representatives Keiser, Beadle, Boschee, Louser)

AN ACT to create and enact section 47-34-02.1 of the North Dakota Century Code, relating to the acceptance of funds by closing agents in real estate transactions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Section 47-34-02.1 of the North Dakota Century Code is created and enacted as follows:

47-34-02.1. Acceptance of funds by closing agents.

1. At or prior to closing, a closing agent may accept a cashier's check for loan funds, if that check is delivered to the closing agent by a local issuing bank, savings and loan association, credit union, or savings bank, located in the same county as the closing agent or in a contiguous county.
2. The closing agent shall deposit the cashier's check in the agent's escrow account with a local financial institution that makes the funds available for immediate withdrawal, prior to the disbursement of funds.

Approved March 12, 2015

Filed March 12, 2015